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ITAIPU OFFICIAL: PARAGUAY 'INDIFFERENT' TO CORPUS

PY162052 Paris AFP in Spanish 1454 GMT 16 Mar 79 PY

[Text] Brasilia, 16 Mar (AFP)--Enzo Debernardi, deputy director of the Brazilian-Paraguayan Itaipu enterprise, stated through remarks published here today that Paraguay is indifferent to whether Corpus is built or not. Debernardi, who is also president of the National Power Administration (ANDE), is in this capital, where he attended the presidential inauguration yesterday of General Figueiredo along with Paraguayan President Alfredo Stroessner. Debernardi explained that Corpus, the Paraguayan-Argentine hydroelectric dam project on the Parana River downstream from the Itaipu dam (a Brazilian-Paraguayan hydroelectric porject under construction) will allow greater versatility in the operation of the latter, which will be able to change its energy production according to the frequencies of the Paraguayan and Brazilian electrical network system.

In Porto Alegre, capital of the Rio Grande do Sul State, Luis Maria Argana, vice president of the Paraguayan Chamber of Deputies and government leader, stated: "My country will not sign any agreement with Argentina for the construction of Corpus which may adversely affect Itaipu, an enterprise indispensable for Brazil and Paraguay." Deputy Argana, who is now in Porto Alegre at the official invitation of the Rio Grande do Sul government to attend the assumption of power of Amaral de Souza, stated that for centuries the waters of the Parana River have not produced anything, and now that they will begin producing electricity for Brazil and Paraguay, there can be no disagreements with Argentina which may create obstacles to that project.

OAS LEADER COMMENTS ON L.A. INTEGRATION, PARANA ISSUE

PY171827 Porto Alegre Radio Gaucha in Portuguese 1545 GMT 17 Mar 79 PY

[Text] Latin American integration continues to be difficult for the countries of the continent because the efforts made so far have not been enough, particularly in the economic sector. This has been asserted by Alejandro Orfila, OAS secretary general. He also said that Latin America still lacks a specific policy which is adequate for its countries. Regarding the disagreements between Brazil and Argentina over the compatibility of the Corpus and Itaipu hydroelectric projects on the Parana River, he stated that in his opinion they do not endanger their bilateral relations. Orfila believed that the two governments will find a satisfactory and peaceful solution to the conflict.

ECUADOR APPLIES TO JOIN BANANA EXPORTING GROUP

PA200132 Guatemala City Domestic Service in Spanish 0030 GMT 20 Mar 79 PA

[Text] Government sources have revealed that the meeting scheduled for today of delegates of banana-exporting countries was postponed until next week at the request of the Republic of Panama, whose delegate could not be in our country this morning. Considering that topics of great interest will be discussed, it was therefore agreed to postpone the meeting to a later date. It was confirmed that six countries will attend the Union of Banana-Exporting Countries (UPEB) meeting, which has been postponed. Reliable sources reported that Ecuador has submitted a request for admission to the organization. Thus, it will be possible to saturate several banana markets with just prices [as heard], but the request will be carefully analyzed to see if it is accepted. It was indicated that this topic will also be discussed during the meeting to be held in Guatemala City at an appropriate date.

NORMALIZATION OF DIPLOMATIC RELATIONS WITH UK SEEN

PY192353 Paris AFP in Spanish 1502 GMT 19 Mar 79 PY

[Excerpt] Buenos Aires, 19 Mar (AFP)--A reliable source indicated here today that Argentina and Great Britain intend quickly to normalize their diplomatic relations, which deteriorated due to a dispute over the Malvinas Islands. Argentine Foreign Minister Carlos Washington Pastor, on the plane which brought him to Buenos Aires from Brasilia over the weekend indicated that the beginnings of this decision were made during talks with the British under secretary of state for foreign and commonwealth affairs, Ted Rowlands, in Caracas and then in Brazil. According to sources close to the Argentine foreign minister, the procedure for a return of ambassadors will be undertaken as soon as Great Britain's charge d'affaires, Hugh Carless, currently in London, returns to Buenos Aires.

PASTOR MEETS WITH NEWSMEN, REVIEWS BRAZIL TALKS

PY191654 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1645 GMT 17 Mar 79 PY

[Text] Buenos Aires, 17 Mar (NA)--Foreign Minister Carlos Washington Pastor stated today that "controversy over one specific problem does not mean the cooling or stagnating of negotiations." He was referring to the progress of the talks between Argentina and Brazil with regard to the compatibility of the Corpus and Itaipu hydroelectric plants, which both countries are building separately with Paraguay as their common partner.

Pastor made these remarks at the military side of the metropolitan airport, where he arrived just after noon from Brasilia after attending the inauguration of Joao Baptista de Figuiredo.

With regard to how Argentina should interpret the change in Brazilian policy with regard to the dams, taking into consideration the conciliatory tone of the dialog he held with the new Brazilian foreign minister, Ramiro Saraiva Guerreiro, and the content of the notes exchanged by the two governments just a few days ago, Pastor said relations "fluctuate with the phases of the negotiations, which at times can be flexible and at others hard because each one tries to defend his legitimate interests." The foreign minister emphasized: "That does not mean that relations between the two countries should not be good."

With regard to whether the new Brazilian Government would mark the beginning of a new phase in the negotiations over the Corpus dam, Pastor emphasized that "the negotiations have never been interrupted, so we are not going to resume anything; but we are going to try to reconcile our positions." Pastor said: "I have the feeling that everything will go very well because we have already made some progress. We have achieved quite a bit, so now only the final part remains."

Asked whether future Argentine-Brazilian negotiations would be strictly technical or include political aspects, Pastor answered that "the two things cannot be separated." Pastor emphasized: "Great binational projects always have a preponderant political factor, of course, but at the same time they also have essential technical factors so that no separation is possible."

He was asked to expand his remarks made in Brazil with regard to the need to eliminate political-diplomatic mistrust. Pastor answered: "Sometimes agreements are made at a very high level and when they are then handled at other levels, things are, willingly or unwillingly, distorted and become deformed, which has happened before. But the basic level of agreement, the highest level, still remains."

Foreign Minister Pastor was asked about future relations between Argentina and Brazil. He said, "In the first place, we hope to refocus the Corpus and Itaipu problem, which is not the only problem Argentina has with Brazil. Our field is much richer and has other facets as important as Corpus." Pastor emphasized: "Just as we are going to make progress on Corpus, we are going to make progress in other fields which are very promising and in which very positive talks are yet to be developed."

With regard to the position taken by Paraguay with regard to the Corpus and Itaipu negotiations, Pastor stated that the neighboring country, as a partner of both Argentina and Brazil, "has maintained a position of prudence, of equal distance between the two, which I believe is correct."

Finally, asked what can be expected with regard to problems in the Foreign Ministry's jurisdiction during this year, the foreign minister said "all the problems will be handled with maximum flexibility, dynamics and efforts to speed up the process. We have yet to advance in many fields of foreign policy."

Pastor, who arrived at 1210, was received by the base commander, Col Carlos Rodriguez Nogueras; the under secretary for economic relations of the Foreign Ministry, Col Raul Cura; the ambassador of Brazil, Claudio Garcia de Souza; and officials of San Martin Palace.

LABOR UNREST REPORTED IN VARIOUS INDUSTRIES

PY192029 Buenos Aires LATIN in Spanish 1518 GMT 17 Mar 79 PY

[Excerpts] Buenos Aires, 17 Mar (LATIN)--In the Cordoba industrial region, about 700 km north of Buenos Aires, the unrest among auto workers who are demanding a salary increase continues, while pressure and discontent in industrial sectors over official policy seems to have been one of the reasons for the resignation of Raymundo Podesta, secretary for industrial development.

According to union sources, there have been new dismissals at the State Mechanical Industries (IME), a subsidiary of the air force, which operates at the local air force base. The dismissals of civilian workers at the factory, which makes station wagons and light trucks, increased to 54 after the enterprise announced a decision to dismiss another 40 persons. The personnel had requested better salaries and the company answered this plea by suspending work until 25 March.

There were unexpected sit-down strikes yesterday in support of salary demands at the Renault factory and in another two enterprises which produce auto parts.

In Buenos Aires, the Economy Ministry confirmed that Podesta, industrial development secretary, had submitted his resignation, which President Jorge Videla is expected to accept. According to official sources, Podesta's resignation will hardly mean a change in economic policy. Podesta was criticized by several sectors for the bureaucracy in his sector and also for some measures which were adopted.

RURAL CONFEDERATIONS ATTACK ECONOMIC LEADERSHIP

PY171502 Buenos Aires TELAM in Spanish 0127 GMT 17 Mar 79 PY

[Excerpt] Buenos Aires, 16 Mar (TELAM)--In a statement issued today, the Argentine Rural Confederations (CRA) reasserts its criticism of the economic leadership by noting that the sector it represents has decreased its productive capacity because of several reasons, among which is a strong overall tax pressure.

Almost simultaneously with the official announcement of the minimum price for wheat bread, the CRA--which is made up of 7 rural confederations grouping 267 regional rural societies--issued this declaration, in which it states its support for a free economy. It adds that "this criticism is not designed to support or attack a specific person or sector, public or private, but merely to reassert our support for a free economy." The statement also criticizes the large government infrastructure, and requests private economic sectors "to learn to defend their interests within the framework of responsibility and genuine rights."

BALBIN WARNS OF POSSIBLE 'SOCIAL COMPLICATIONS'

PY200148 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1153 GMT 19 Mar 79 PY

[Expert] Cordoba, 19 Mar (NA)--Radical Civic Union (UCR) President Ricardo Balbin warned today that "social complications may come up this year," and said: "I hope it does turn out that way." He added that "the remedies cannot be prescribed by those who need them, but by those in a position to do so." In the veteran leader's opinion, "the government has to start reviewing, with realism and without bias, the social problems being created by the economic management in the less-favored sectors."

Balbin said that "if the political opening for a reorganization is not started in time, I am afraid we will have to demand it, and I would not like to be forced by circumstances to say harsh words, because I would rather say kind words." He said it is necessary for us to "stop dwelling on the errors of the past, since obviously errors of the present can already be discerned."

Balbin stated that his party "feels no electoral urgency, although the country will be heading toward an election because that is the way of democracy. We want to start putting things in order, but I can say without making a mistake that we have not yet begun to do so in Argentina."

JUSTICIALIST LEADERS CONDEMN ECONOMIC POLICY

PY201050 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1952 GMT 19 Mar 79 PY

[Excerpts] Santa Fe, 19 Mar (NA)--Provincial leaders of the Justicialist Party have met here and released a declaration stating that "the current economic policy, instead of being an instrument for the country's development, is a policy responding to the needs and privileges of a minority."

The declaration of the Justicialists, some of whom held legislative positions in the previous government, says that "the serious crisis affecting the economy is discouraging investment." The document states that "the decrease in purchasing power, the unjust distribution of taxes and the distortions in the monetary system are facts which show that the country is losing its power of decision and increasing its foreign dependence."

LA PAZ REJECTS CHILEAN PLEA FOR NEUTRALITY AT OAS

PY191745 Buenos Aires LATIN in Spanish 0607 GMT 18 Mar 79 PY

[Excerpts] La Paz 17 Mar (LATIN)--Bolivian Foreign Minister Raul Botelho Gosalvez has rejected a Chilean proposal that Bolivia maintain "a neutral attitude" regarding the 100-year-old landlocked situation Bolivia is experiencing during the forthcoming OAS general assembly which will be held here soon. Press reports from Santiago, Chile, which were picked up here cover the statement issued by the Chilean ambasssador to the OAS, who expressed "the need for Bolivia to be neutral" during the forthcoming OAS assembly.

Botelho Gosalves said at a press conference: "Bolivia has never tried to interfere in Chilean foreign policy. Therefore, it is absurd for Chilean diplomats to try to interfere in Bolivian foreign policy." He described as "ridiculous" the fact that "Chilean diplomats are trying to tell us what we should do and what we should say," by implying that at the OAS assembly the Bolivian delegation will inevitably mention Bolivia's pending sea issue with Chile. Botelho Gosalvez noted: "No Bolivan can be silent on the 100th anniversary of this plunder. It is logical for us to tell how this was. If we do not reach a solution we will at least achieve understanding and cooperation."

The OAS assembly will be a rostrum where Bolivia will expose its historical points of view and the need to solve its landlocked situation, according to diplomatic analysts.

The Bolivian Government meanwhile is preparing civic marches to be held on 23 March to commemorate the 100th anniversary of the death of Bolivians, who were led by civilian hero Eduardo Avaroa, who defended the then-Bolivian town of Calama against Chilean aggression. The Bolivian foreign minister stated that representatives from the Argentine and Venezuelan armed forces have promised to attend these civic ceremonies.

GOVERNMENT INVESTIGATING NEW ANTIDEMOCRATIC PLOT

PY170250 Buenos Aires LATIN in Spanish 1857 GMT 16 Mar 79 PY

[By Rene Villegas]

[Excerpt] La Paz, 16 Mar (LATIN)--The Bolivian military government was today investigating a plan against the revived democratic process in Bolivia after detecting political maneuvers designed to interrupt or postpone it. Reliable government sources today told LATIN that official organizations have gathered information about a plot to obstruct the process, which is supposed to conclude with a general election on 1 July.

However, at the same time they reasserted the unwavering decision to fulfill the promises made by the government of Gen David Padilla to bring democracy to the nation.

The sources, who did not identify themselves in order to protest the investigation, told LATIN that some political parties and groups are involved in the discovered anti-democratic plot. Investigation has established that the purpose of the plot is to carry out underhanded actions which would clearly obstruct the democratic process. The sources explained that the secret movement does not have the characteristic of a government coup, although its intentions point toward an interruption or postponement of the electoral process.

NO DISCUSSION OF NUCLEAR PROGRAM WITH MONDALE

PY192331 Buenos Aires LATIN in Spanish 2253 GMT 19 Mar 79 PY

[Excerpts] Brasilia, 19 Mar (LATIN)--The Brazilian Foreign Minister has discounted any possibility of discussing its nuclear program with U.S. Vice President Walter Mondale, who will arrive for a 36-hour official visit here next Wednesday. Bernardo Pericas, official spokesman of the Foreign Ministry, stated categorically today that the Brazilian Government will not discuss the nuclear agreement since this is a finished and juridically perfect document.

The United States has tried to prevent the Brazilian-FRG nuclear agreement from going into effect for fear Brazil may produce atomic weapons. Brazil, however, has given all kinds of assurances and signed international commitments regarding its firm intention of using nuclear energy exclusively for peaceful means.

Pericas said Mondale's visit is the result of President Carter's frustrated intent to send Mondale as his representative to Gen Baptista Figueiredo's inauguration. Mondale was supposed to head the U.S. delegation, but Carter's trip to the Middle East prevented him from coming. The U.S. Embassy has said Mondale will leave for Caracas Friday morning.

INVESTIGATION ORDERED INTO ARREST OF U.S. PRIEST

PY192358 Paris AFP in Spanish 1733 GMT 19 Mar 79 PY

[Text] Recife, 19 Mar (AFP)--Pernambucc State Governor Marco Antonio Maciel has ordered an investigation into the circumstances in which U.S. priest Larence Rosenblaugh was imprisoned, it was reported here today. According to press reports, the U.S. priest was arrested and beaten by agents of the Pernambuco military police when he tried to help four prostitutes, one of them pregnant, who were being mistreated by police at the Sao Jose market.

This is the third time Father Rosenblaugh has been arrested and beaten by agents of the Pernambuco military police. The first time was in 1977 when Rosalyn Carter, wife of the U.S. President, visited Brazil. The U.S. priest assists people in poor neighborhoods of Recife and wears simple clothing to identify himself with the needy. Thus he has sometimes been mistaken for a beggar by police assigned to prevent begging.

ABREU ANNOUNCES OPPOSITION TO FIGUEREIDO GOVERNMENT

PY192117 Buenos Aires LATIN in Spanish 1847 GMT 18 Mar 79 PY

[Excerpts] Brasilia, 18 Mar (LATIN)--The now retired and dissident Gen Hugo Abreu has announced his decision to oppose the government of President Joao Baptista de Figueiredo, whom he considers "illegal" for having been "imposed by the will of Gen (Ernesto) Geisel." In a lengthy interview published here today in JORNAL DO BRASILIA, Abreu casts doubt on the support General Figueiredo can receive from the military. "I do not see how the military sector could support a president estranged from the people. There has been no reaction yet, but...." He left the sentence unfinished.

He said he did not support the candidacy of General Figueiredo because he "was not appointed by military consensus," and he expressed that disagreement to Geisel, telling him that "it will hardly come out successfully." He added that he still feels the same and that "a program estranged from the nation cannot have good results." "If it turns toward the liberals, it will displease the hardliners, and vice versa," he stated.

PDC YOUTH GROUP DENIES ALLIANCE WITH LEFTISTS

PY191839 Buenos Aires LATIN in Spanish 2225 GMT 17 Mar 79 PY

[Text] Santiago, Chile, 17 Mar (LATIN)--The Chilean Christian Democratic Youth Front today categorically denied an alleged alliance with leftist political forces to create a "broad youth opposition front" against the military government. The denial is included in a communique issued to the national and international press which rejects any formula to create an opposition bloc and which denies recent news agency reports which stated that the youth group was a member of an opposition front.

The communique states: "The Christian Democratic Youth Front has not received any official or unofficial communique from the Popular Unity Youth Front to make up a broad youth opposition front." The communique adds that the board of the Youth Front believes the Popular Unity Front has been obsolete for almost 6 years, ever since the 11 September military coup that ousted former President Salvador Allende.

The communique notes: The Christian Democratic Youth Front is determined to promote a truly democratic alternative with the participation of all political and social sectors which are the basis of an authentic democratic conviction. We believe this is the only viable alternative to achieving a solid and stable democracy which will also count on the support of a majority of the Chilean people."

FOREIGN MINISTER CUBILLOS TO MEET WITH AMBASSADORS

PY200131 Santiago Chile Domestic Service in Spanish 0000 GMT 20 Mar 79 PY

[Text] Foreign Minister Hernan Cubillos remarked today that "Chile's principal interest in the Old World are in strengthening our links with the Economic Community and to improve contacts with the nations of that continent." Cubillos left this afternoon via Swissair for Geneva. He is accompanied by his chief of staff, Diego Valenzuela; the Economic Commission official, Manuel Valencia; and his adviser, Patricio Pozo.

Cubillos will participate in the meeting of 37 Chilean ambassadors to Europe, Africa, and Asia to be held in Geneva. During the meeting, which is one of a series of an informative nature, the foreign minister will outline the guidelines for foreign policy and discuss matters which interest Chile at the international level, such as relations with the United States, with neighboring countries, human rights matters and participation in the OAS. Internal affairs will also be discussed, such as the new institutionalization and recent labor legislation.

The ambassadors will report on the state of relations with the countries to which they are accredited and will formulate suggestions they believe useful for improving diplomatic contacts. Through these meetings with the ambassadors, the Foreign Ministry is seeking a dialog and an exchange of information. Last week there was a meeting with ambassadors to American countries. The last stage will be in Tokyo, where a meeting with ambassadors to Asian and Pacific countries will be held. This meeting will be headed by the deputy foreign minister, Gen Enrique Valdez.

BRIEFS

BANK OF SPAIN OPENS--Banco Exterior of Spain opened its agency in Santiago today. Its operations will be geared mainly to credits for purchases of equipment and machinery from Spain. [Santiago Chile Domestic Service in Spanish 0000 GMT 14 Mar 79 PY]

TUPAMARO WOMAN LINKED WITH M-19 MOVEMENT ARRESTED

PA191437 Bogota EL SIGLO in Spanish 11 Mar 79 p 12 PA

[Text] A Uruguayan woman belonging to the almost exterminated National Liberation Movement [MLN], the Tupamaros, was one of the founders of the 19 April Movement (M-19), sources of the Military Institutes Brigade [BIM] reported yesterday. The military authorities did not reveal the name of the woman in order not to hinder the investigation. However, it was determined that the "Tupamaro" woman has lived in Colombia for 8 years and that she was captured in a town in Boyaca Department.

The spokesman said that the woman did not deny her link with the M-19 Movement, but apparently did not provide any additional details to add to the investigation into the theft of arms from the military forces General Command depot at Canton Norte.

Difficult Investigation

A source close to the investigation into the M-19's activities said that this is a very difficult investigation because most of the "commandos" were known only by their "aliases" and very seldom knew each other's identity.

This very reliable source said that thus far it has been determined that the subversive movement operated through various units and these units operated in turn through small cells with a maximum of five or six persons. The subversive organization ordered transfers for its members and decided what columns should operate on the basis of plans to avoid being discovered by the authorities.

Good Results

However, the spokesman said that the investigations have thus far yielded satisfactory results because over 100 suspected members of the movement have been arrested and 7 have been killed.

The source said that the activities of the BIM's "operational unit" and the Military Intelligence Services have made it possible to arrest a substantial number of M-19 members in Bogota, Bucaramanga, Cali and Ibague.

The Uruguayans

Regarding the alleged former members of the Uruguayan "Tupamaros," the spokesman said that there are four members of that subversive organization involved in the investigation of the M-19's activities. They are Ana Nelda Gonzalez Sousa, Sergio Betarte Benitez, Juan V. Vivanco Reyes and the woman, who was one of the founders of the subversive organization.

GOVERNMENT OPPOSED TO LEGALIZING USE OF MARIHUANA

PA160016 Bogota Radio Cadena Nacional in Spanish 1730 GMT 15 Mar 79 PA

[Text] The National Association of Financial Institutions [Asociacion Nacional de Instituciones Financieras--ANIF] today asked the government to legalize the cultivation of marihuana, but said the decision should be adopted jointly with the United States. ANIF Chairman Ernesto Samper Rizano proposed the creation of a commission with representatives from the two governments to study the proposal.

Speaking at the opening of a conference on marihuana, Samper Pizano said that the control measures adopted by the government have not yeieded the expected results; on the contrary, they have contributed to an alarming increase in domestic consumption. He added that over 600,000 Colombians are habitual users of 500 tons of marihuana annually.

Today, the government said it was definitely opposed to legalizing the cultivation or consumption of marihuana in Colombia and harshly criticized the statement by ANIF Chairman Ernesto Samper Pizano. Attorney General Guillermo Gonzalez Charry said the government is not at all convinced it should nor is there anything that could encourage it to study such a measure. He insisted that ANIF has voiced some economic reasons but no moral arguments, and our society is very concerned about this.

He asked for more efficient cooperation from the U.S. Government in order to guarantee a successful campaign against narcotics trafficking in the country.

ARMY PROTESTS HIGH COST OF ANTIDRUG CAMPAIGN

PA192027 Bogota Cadena Radial Super in Spanish 1100 GMT 19 Mar 79 PA

[Text] Bogota--The Colombian Army has protested the high cost of the campaign to fight drug trafficking in La Guajira. Statements to this effect were made by Army officers who held meetings until yesterday evening with their U.S. Army colleagues. Colombia's problems in fighting this traffic were discussed during this meeting.

The Colombian officers noted that while Colombia invested approximately 50 million pesos in the fight against drug trafficking last year, the U.S. Government contributed only 2 million pesos and has asked that the 7th Brigade, headquartered in Villavicencio, initiate operations similar to those taking place in La Guajira.

The Colombian officers also complained about the slowness with which the Colombian authorities have been acting to legalize the turning over to the army of approximately 50 vehicles that have been seized. The few vehicles they have available are in poor condition.

PROFESSOR SEEKS REFUGE IN ECUADOREAN EMBASSY

PA191438 Bogota EL SIGLO in Spanish 11 Mar 79 pp 1, 8 PA

[Excerpt] Mario Restrepo Bardon, who has been accused of being one of the leaders of the 10 April Movement (M-19), has aksed for and obtained asylum at the Ecuadorean Embassy. He was wanted by the authorities in connection with an operation that has made it possible to dismantle the subversive movement's bases.

It was also reported that Restrepo, who was until recently general coordinator of the School of Chemical Engineering at the National University, turned up 2 days ago at the Ecuadorean Embassy saying that he was a political refugee and that his life was in danger because he was being closely pursued by the Military Intelligence Services.

This raises to 12 the number of cases of political asylum that have occurred in the last few weeks as a result of the investigation into the M-19's activities. The investigation has thus far resulted in the dismantling of some of the movement's fronts.

UNIVERSITY REPORTS ON COUNTRY'S ECONOMIC SITUATION

PA150118 Quito Voz de los Andes in Spanish 1730 GMT 14 Mar 79 PA

[Text] The Guayaquil University's Economic Research Institute has issued a report stating that Ecuador's foreign debt has reached the amount of 70 billion sucres, or $2.4 billion, and cited other chilling facts.

The institute recalled that only a few days ago the finance minister completed negotiations to obtain a loan of $520 million to give the government a breathing spell and to turn over a healthy treasury to the new constitutional government. The renegotiation of the foreign debt has been successful, resulting in an extension of the payment terms and a decrease in the interest rate, alleviating the state's financial situation at a time the economic analysts have termed a budget crisis, said the institute.

In addition to discussing the cold technical facts of the renegotiation terms, one must analyze the real causes which have led the government to increase the country's foreign debt by 155 percent in the last 2 years. The government's foreign debt has reached $1,421,800,000, to which we must add the private sector's foreign debt and the military foreign debt, raising Ecuador's total foreign debt to approximately $2.4 billion, a truly chilling figure.

This constitutes a real mortgaging of the country abroad. It has been justified by the argument that the future growth of oil exports will cover the country's capacity for payment. Unfortunately, this is not an alternative today, since the government's representatives themselves have discounted it, stating that the oil boom is a thing of the past. Let us not forget that if the state does not obtain more income from oil, and if exports do not increase sufficiently, the payment of the debt must be made through new taxes--unless government expenses are decreased--which will sink the common people into greater poverty.

The tax policy would be complemented by new import restrictions which would retard not only the growth of the Ecuadorean economy but the increase of the government's real budget revenue. In sum, the prospects are not encouraging. Today's indebtedness will mortgage tomorrow's growth. Unfortunately, the country has squandered the resources which prompted its indebtedness, a large proportion of which has been used to pay current government expenses. This is reflected in the decreased percentage of the government's capital expenditure. In 1972 capital expenditure was 40 percent. In subsequent years the percentage of current expenses has been increasing, and capital expenditure has been decreasing, reaching the lowest level of 20 percent in 1977. In 1978 it was 24.8 percent.

When resources from the foreign debt were used to finance investment projects, the deficiency in technical studies resulted in low productivity either as a result of delays in completion or because the works were plagued by technical errors. The most evident case is the Esmeraldas refinery, which due to design error is only producing 50 percent of capacity, forcing the country to import oil byproducts costing several million dollars. In conclusion, our country's situation is very critical.

The Guayaquil University's Economic Research Institute said that other problems which should be analyzed on the matter of the foreign debt are the causes which obliged the government to renegotiate the loans only 14 months after obtaining them. Was the country's legal reorganization plan not in progress 14 months ago? Was it not known then that the national treasury would have to be turned over in healthy condition? Did the press and university institutes not announce at the proper time that the conditions of indebtedness were disadvantageous to the country? All this was said.

The only plausible explanation of this problem is the lack of a consistent economic policy by the present government on the needs of the workers with defined objectives for the country's economic and social development.

FINANCE MINISTER DEFENDS FOREIGN DEBT POLICY

PA160030 Quito Cadena del Triunfo in Spanish 1255 GMT 15 Mar 79 PA

[Excerpts] Finance Minister Juan Reyna believes that Ecuador is an island of progress in Latin America. The minister has not reached this conclusion without foundation; it is based on the World Bank's assessment of the Ecuadorean economy. However, Reyna said that there is no bonanza, although the country has good prospects.

Reyna outlined the viewpoints of the government during an interview in which he seemed to be reacting to certain accusations expressed by more than one publication. Specifically, the minister rejcted a report on new loans contracted abroad which implied that some government officials must have received a commission of from 30 million to 190 million sucres. In this regard, the minister announced that those responsible for the article in question would be sued.

In conclusion, he said that the government demands immediate proof to back up the arbitrary statements made in the latest issue of the magazine NUEVA, since it is not proper to indulge in diatribe and insults under the pretext of a misinterpreted freedom of the press.

[Begin recording] [Question] How about this matter of commissions on certain loans?

[Answer] Sir, it is covered in the decree which I announced in January when I gave my economic report to the nation. I outlined the financial terms of the refinancing. It provides for an administrative commission of 0.5 percent on the total amount of the loan.

[Question] Who receives the commission?

[Answer] The free banks [bancos libres]; in this case, the Bank of America and Citybank. The first is the largest bank in the world, and the other is the second largest. [end recording]

Regarding another chilling topic, the minister revealed that Ecuador's domestic and foreign debt totals $1.7 billion; that is, over 42 billion sucres. If to this sum is added the public-private debt [as heard] and the national defense debt, the total sum of loans contracted abroad surpasses $2.7 billion, or over 77 billion sucres.

[Begin Reyna recording] There are countries like Peru and Uruguay which have 50 percent of their exports committed to servicing their debt. They are in a critical situation. But Ecuador has not reached that situation. Ecuador still has very broad (?options). That is why the IMF has just acknowledged that the Ecuadorean economy is in very good condition, as has the IDB; and I have here a four-volume report from the World Bank which explains that the Ecuadorean economic situation is truly that of an island in Latin America, with an inflation rate of 10.7 percent, equal to that of the United States, while other countries have inflation rates of 180 percent. [end recording]

PRESENCE OF U.S. 'OVERSEER' IN RIGHTS CASE ATTACKED

PY160122 Asuncion Red Privada de Emisoras in Spanish 2300 GMT 15 Mar 79 PY

[From "Voice of the Colorado Party"]

[Text] A court in our country, a righteous court of a sovereign country, was recently forced to summon a Paraguayan citizen whose behavior, disguised under humanistic and legal motivations, looks suspicious in the eyes of the law, damaging to the national interests and in conflict with the loyalty every citizen owes to both his fatherland and its constitution. The court, it is proper to repeat, has taken a just action which it is empowered to take as the pillar of the nation's civilized, peaceful existence; as the defender of those values comprising the Paraguayan people's moral, legal and mental health; and--if appropriate--as the corrector, in accordance with the codes, of the misbehavior of any citizen who may hurt the interests of the community or infringe upon the principles of the national codes.

The action by the Paraguayan court in summoning a certain Mrs Lara Castro, president of a certain Human Rights Commission, who has forgotten that certain law enforcement agents died at the hands of terrorists, who has raised certain questions and conducted certain anti-Paraguayan actions abroad which border on treason, since she was seeking elements designed to strangle our economy and to disrupt our development--this action by the court, we repeat, is necessary, ethical, legal and timely from every standpoint.

This action is just as ethical, legal and necessary as that of the U.S. court which, for instance, summoned, tried and ordered the execution of Sacco and Vanzetti, two union leaders who were charged with conspiracy against the U.S. Constitution [as heard]. It is just as ethical, legal and necessary as that of the U.S. court which tried and sent the Rosenbergs to the electric chair. They were scientists charged with collaborating with and passing to the Soviet Union secrets which endangered U.S. security. It is just as ethical and legal as that action of a U.S. court giving President Nixon the option of facing trial on a conspiracy trial or resigning as president. It is just as ethical and legal as that action of a U.S. court bringing Patricia Hearst to trial and sentencing her as a terrorist, despite the fact that she was kidnaped, raped, brainwashed, indoctrinated and compelled to participate in a bank robbery.

Precisely because all courts are equally severe around the world, including Paraguayan and U.S. courts, we find strange, unusual and completely out of place the presence of a U.S. diplomat in the party accompanying the human rights empress to court. He called himself an observer but failed to dispel the impression that he had instead assumed more the role of an overseer [capataz]. In this free and sovereign country, no one will accept an overseer, except for those legionnaires and lackeys who believe foreign interference is not only acceptable but necessary.

The statement that he only wants to see how Paraguayan justice operates is the biggest folly we have heard recently, and could only be accepted by crazy people or uttered by a born fool [tilingo], something that does not suit a gentleman who has attained the rank of a diplomat. The courts have a total of about 3,000 suits. The fact that he should have picked a suit involving a lady who only yesterday was parading through Washington's radical hallways is not only a glimpse but a full view of a new diplomatic faux pas, one of many that are causing Mr Carter's government to lose thrust and friendship in the world.

GENERAL SAYS DEMOCRACY 'NOT CONFINED TO VOTING'

PY191809 Montevideo Cadena de Oro del Interior in Spanish 1600 GMT 17 Mar 79 PY

[Excerpts] The exercise of political rights includes a whole range of activities and is not confined to the simple act of voting. This was stated by the Uruguayan Air Force commander in his speech at Independence Plaza today on the 66th anniversary of the creation of the air force. The ceremony was attended by the president, the three commanders of the armed forces, ministers and other high officials.

Lt Gen Raul Bendaham addressed himself directly to the youths, explaining some concepts of the political future of the country. In a part of his speech the officer said: [begin recording] The exercise of political rights includes a whole range of activities and it should not be thought that it is confined to the simple act of voting. The political attitude of the citizen should be permanent and conscientious and he should act within a political party in a way which prevents him from falling into the hands of professional politicians who will corrupt him and use him for their own personal interests. Above all, political activity implies a constant need for (?clashes) between ideas, objectives and men, and it is therefore necessary for the citizen to have a minimum ideological basis to guide him in that activity. When you begin your search for the principles and objectives which will guide your conduct as citizens, you will find an endless number of patterns, systems and answers. Whatever labels are used, the choice will be exclusively between freedom and slavery.

Over the last 60 years a perfectly structured and seemingly flawless ideology has been imposing itself on the countries of the world through a systematic effort. It offers a heavenly future, but there is the presence of daily violence, individual rule and tyranny. As our great teacher (Ferreira) said in 1920: Not only can I not understand socialism, but I see that none of its supporters understands it either. When they want to implement it, I think they are caught in a dilemma--it involves either a terribly great spiritual change in humanity or the suppression of freedom, psychological utopia or tyranny. History has proven the great professor right. Where that ideology has been implemented, tyranny has arisen. [end recording]

BRIEFS

NATIONAL PARTY'S ASSETS--The executive branch has authorized the formation of a commission, made up of members of the National Party, to be in charge of the party's assets and historic documents. The commission will abstain from any political activity. [Montevideo Cadena de Oro del Interior in Spanish 1600 GMT 15 Mar 79 PY]

DECREASE IN REAL SALARY--The Department of Statistics and Census reports that the real salary in Uruguay decreased 3.44 percent in 1978 in comparison with 1977. [Montevideo Cadena de Oro del Interior in Spanish 1600 GMT 16 Mar 79 PY]

DIPLOMATIC RELATIONS WITH URUGUAY MAY BE RESUMED

PA192030 Caracas Radio Rumbos Network in Spanish 1530 GMT 19 Mar 79 PA

[Text] President Luis Herrera Campins is considering the possibility of resuming diplomatic relations with Uruguay. The disclosure was made by a Uruguayan newsman who interviewed the Venezuelan president on behalf of the newspaper EL ESPECTADOR. The report, originating in Montevideo, indicates that Herrera will try to reestablish diplomatic relations with Uruguay. Caracas severed relations with Uruguay in July 1976, when Uruguayan security agents broke into our embassy's office.

Herrera said the following, according to the newsman:

Pursuant to Venezuela's traditional foreign policy of maintaining cordial and friendly ties with all countries, and particularly with those in Latin America, the Venezuelan Government will try to maintain relations with all countries. Within the bounds of propriety, desirability and dignity, Venezuela will try to surmount any incidents that may have occurred with other republics in the past. To this effect, I am considering the possibility of resuming relations with Uruguay, always provided, I repeat, that the conditions to which I have referred exist.

MINES, ENERGY MINISTER DISCUSSES OIL PRODUCTION PLANS

PA172205 Caracas Radio Rumbos Network in Spanish 1530 GMT 17 Mar 79 PA

[Report by Arnoldo Pedrosa]

[Excerpts] During a news conference held today, Energy and Mines Minister Humberto Calderon Berti announced that Venezuela is prepared to cancel present contracts for technological assistance when they expire. Calderon Berti also said that his office will set a production target consistent with the country's general development goals and the technical reality of the oil industry. He also said that his office will try to reach a production potential that is in harmony with existing reserves and the best interests of the country's international policy.

[Begin Calderon Berti recording] We feel that this stage has been completed, the [word indistinct] are different and consequently [words indistinct] with different values.

[Question] Do you feel it appropriate and necessary to continue the current level of oil production?

[Answer] What we have said is that it would be desirable if there were a reserve of approximately 600,000 barrels between the production potential, which is the real production capacity of the country's deposits, and the production level, that is, a difference between oil potential and oil production. The country is presently producing approximately 97 percent of its potential, practically its maximum potential, and it is not desirable to maintain a situation like this for very long.

[Question indistinct]

[Answer] I feel a great effort has been made concerning the exploitation of natural gas, but the decrease in production from 3.5 million barrels in 1973 to 2.2. million barrels has not been exclusively for conservation reasons but because of a decrease in production capacity. [end recording]

The energy and mines minister also announced his decision to change the production pattern in order to achieve effective conservation of scarce crude oils such as the medium and light crudes. He also announced his decision to increase the use of secondary recovery techniques and plan the exploitation of deposits from the very beginning in order to get the best production and recovery results. He said that the Energy and Mines Ministry will follow a policy of conserving natural gas and petroleum. Finally, he said that the ministry will issue a decision next week on the domestic gas problem.

ARRESTS REPORTED IN CONNECTION WITH DISTURBANCES

PA162055 Caracas Radio Rumbos Network in Spanish 1530 GMT 16 Mar 79 PA

[Text] Metropolitan police last night arrested several persons at (?Santuce) Parochy. They are charged with being professional agitators.

According to police sources, those arrested participated in disturbances last night in the Northern Industrial Technical School [Escuela Tecnica Industrial del Norte]. Those arrested are Jose Elpidio Gomez, 24; Jose Quintana, 24; Jose Escalona, 21; (?Jose) Ramon Martana, 28; Catalina Perez, 21; and a 17-year-old youth. They are charged with stoning, promoting disturbances and going about with their faces masked.

Meanwhile, the release of two students has been requested. The youths were arrested while participating in a demonstration together with other inhabitants of the Pan de Azucar District of Los Teques. They are Edgar Rivero, 20, and Hector Rivero, 17.

Carmen (Queje) and Marisol (Sizo), representatives of the Committee for the Defense of Human Rights, said that the students' relatives had asked for their release. They made the request through the Committee for the Defense of Human Rights, which has asked President Luis Herrera Campins to release the two students.

PDP DENIES CHARGES OF PLOTTING AGAINST REVOLUTION

PA161747 Panama City MATUTINO in Spanish 14 Mar 79 pp 16-B, 12-A PA

[Communique dated 12 March 1979 issued by the Political Bureau of the Panamanian People's Party]

[Text] According to news reports, during meetings held on 9, 10 and 11 March among the president of the republic, the General Staff and the leaders of the Democratic Revolutionary Party (PRD), the leaders and members of the People's Party [PDP] were accused of having "an attitude of conspiracy." Such a version has been published in a newspaper report. According to that report, it has also been observed that members of this political organization "have tried to block and sabotage the registration and organization process of the PRD and have attempted to muddy the good relations that exist between the Assembly of Corregimiento Representatives and the executive branch."

The PDP Political Bureau wants to point out that an effort has been made to make it appear that this accusation represents the views of government authorities and the PRD leaders and, in the context of the report, that we are linked to a Somozist conspiracy and to "persons and groups opposed to the present revolutionary process."

We want to point to the anticommunist-type warning and to the open threat of resorting to intelligence to persecute our party that were made in the newspaper report. Such actions would unleash an anticommunist persecution in open disregard of the national constitution since the anticommunist laws created by the oligarchy have been derogated.

In face of this information that has shaken national and international public opinion, our Political Bureau has decided to issue the following clarification:

1. We flatly deny that our party's political line or the attitude of its leaders and members conspires against the revolutionary process, and we affirm that everybody, both friends and enemies, find it unbelievable that anyone could try to link us to Somoza, our sworn enemy, and that the report, surprisingly, fails to mention the CIA and imperialism, which do intervene against the present process in this country, on some occasions brazenly and on others behind Somozism.

Given our straight and clear position in defense of and support for the national liberation process taking place in Panama, we would have to be in possession of an official declaration signed by a responsible official to believe that there could be anyone in the government who would take part in such a blunder and risk public incredulity at a moment such as this.

2. We flatly deny that our party is hostile to the PRD. Since 1973, we have proposed that the democratic and revolutionary forces that are part of the national liberation process create a political party in order to heighten the quality of the struggle of the Panamanian anti-imperialist masses. As a result of this, we have rather applauded the formation of that party as a necessary contribution to the struggle for our national liberation. What we are saying in this regard now is on record in official party documents that have been published.

We believe that it is useless to ask the PRD leadership to prevent "the infiltration of elements of the PDP (Communist) in its ranks" since a resolution adopted at a plenary meeting of our Central Committee in January 1979 and made public, calls for the strengthening of the alliance between the political parties and groups of the process and for us to maintain our own identity as an independent organization, as a Marxist-Leninist party and as the PDP. Therefore, no member of our party can join any other party.

We have called for understanding and cooperation among parties to defend the process from the true enemies and to deepen it in regard to social changes. We are awaiting a formal answer to this call.

3. With the same emphasis we deny that we have promoted discord between state branches, especially between the executive and legislative branches. That is a lie that could not stand the slightest scrutiny of what is said about us and what we do. We have enough evidence to prove this.

In this regard, we can say that our party contributed to President Royo's election and that we have made efforts to always maintain the best possible relations whenever it has been necessary because we believe that his government is identified with the struggle for national liberation.

4. The Political Bureau believes that the national situation is confused and that more complications concerning the future of the nation are likely as a result of the objective consequences of the signing of the Torrijos-Carter treaties, of the worsening of the economic problems and--as a result of this--of the social problems and also as a result of the subjective factor that emerges from the interests of various social classes. Whether we like it or not, this type of situation gives rise to a very fluid political life that is full of risks. However, the greatest danger has been introduced by Yankee imperialism which, through its apparatuses of conspiracies, subversion and espionage, is feverishly working to "clean"--before 1 Oct 1979--the Panamanian state of all obstacles in its design to maintain its dominion over our country.

Our party clearly understands that in the face of this situation the best attitude is one of reflection, composure, calmness and consultation with all the forces of the process and the masses and not one of quick and impulsive reactions because at this moment political errors could result in irreparable sufferings for all the patriots and revolutionaries committed to the liberation of our country, since not only the communists will be affected.

We believe that anticommunism as a means of creating political awareness is the biggest of errors if the idea is to seek cohesion among the various forces that have national liberation as their common objective. It is impossible to carry out a revolution using the methods of reaction and fascism because these methods lead to the victory of the counterrevolution. Chile, Nicaragua, Guatemala and other countries are proof that anticommunism is not the road that leads to the liberation of the people but the path that leads to imperialist oppression.

Our party appeals to commonsense, for dialogs and for communication among the various forces of the process in order to clear up the confusion and to correctly establish the line that really separates those who are against and those who support the process. Today, more than ever, we must know who the enemy is and not confuse the enemy with a friend.

The Political Bureau, aware of its political responsibility within the revolutionary role of the PDP as an element that supports the national liberation struggle, calls for the strongest unity among all the forces of the process and states, in the face of the excesses of the domestic reaction and Yankee imperialism, that the defense of the government of President Royo and of the political guidelines of General Torrijos is over and above any circumstantial differences, for which solutions based on common agreements must be sought. This is the only way that the political unity of the various forces that support our national liberation can be maintained.

We have advanced, the struggle continues!

Unity to defeat imperialism and the oligarchy!

Political Bureau of the PDP

[Signed] Moises Carrasquilla

Identification card no 8-180-315

Panama City, 12 March 1979

SECOND ROUND OF PRD REGISTRATION EXAMINED

PA192033 Panama City Domestic Service in Spanish 1105 GMT 19 Mar 79 PA

[From the "Sobre el Terreno" program]

[Excerpt] [First unidentified speaker] I would like someone to tell me how the second round of the Democratic Revolutionary Party's [PRD] registration went? Does anyone know?

[Second unidentified speaker] Registration continued on Saturday and Sunday. No formal announcement has been made yet, but it is clear that the level of registration was not the same as last week. On the first occasion, people went in massive numbers to register, as if they wanted to reach the required registration number quickly. Yesterday, since the figure had been reached, the enthusiasm was not the same. People's enthusiasm was cut off by the abrupt termination of the registration. However, a large number of people did go to register, but not like last weekend.

NATIONAL GUARD STAFF, PRESIDENT MEET IN CHIRIQUI

PA172013 Panama City Circuito RPC Television in Spanish 1800 GMT 17 Mar 79 PA

[Text] The members of the National Guard General Staff and High Command met on Thursday and Friday at the Fifth Military Zone headquarters in David, Chiriqui Province, to discuss national and institutional issues.

The military meeting began with a speech by Col Florencio Flores Aguilar, chief of General Staff, who stressed the importance of this meeting of high military commanders to keep them up-to-date and informed about national events. Maj Ricardo Garibaldo Figueroa, chief of the Fifth Military Zone, welcomed the officers, who participated in this broad exchange of views within the framework of Gen Omar Torrijos' desire to keep military cadres up-to-date and informed about national realities.

The meeting was particularly important because it was attended by constitutional President Aristides Royo, who analyzed national topics before the senior military officers.

The National Guard General Staff also participated actively in the meeting, one of those frequently held by the National Guard to keep the men in uniform well informed.

COSTA RICA

'POSITIVE' RESULTS OF OPERATION CHECKMATE NOTED

PA161921 San Jose Radio Reloj in Spanish 1100 GMT 16 Mar 79 PA

[Text] A report submitted by Public Security Minister Juan Jose Echeverria Brealey to the Council of Ministers noted the positive results of Operation Checkmate. Peasants have expressed their appreciation of the cleanup campaign in the northern area, which has given them greater security. Operation Checkmate will end in 10 days, although permanent observation posts will reportedly be established.

OBSERVATION POSTS ESTABLISHED AT STRATEGIC PLACES

PA171706 San Jose Radio Reloj in Spanish 1100 GMT 17 Mar 79 PA

[Text] Observation posts have been established at strategic places. These places, which were described by high-ranking authorities as strategic points, were identified as Alemania, Libertad, Santa Cecilia, [name indistinct], Hill 353 and [word indistinct], as well as the Penas Blancas checkpoint. Sources of the public security and government ministries said that most of the forces that were deployed for Operation Checkmate have been returned to their original places, but that some have been left at the observation posts.

EL SALVADOR

STATE POWER WORKERS STRIKE FOR HIGHER WAGES

PA200310 Paris AFP in Spanish 0158 GMT 20 Mar 79 PA

[Text] San Salvador, 19 Mar (AFP)--El Salvador was left without water and power today when workers of the state autonomous power enterprise went on strike. The workers took this drastic step following management's refusal to negotiate their 23-point list of demands, they indicated.

The strike began at 1515 (2215 GMT) and paralyzed all companies that depend on electrical service for their operation.

The workers are demanding wage increases and an end to private concessions for installing electrical service in the countryside. The workers allege that they can carry out this work and that the concessions are suited only to the particular needs of some members of the management.

Thus far the government has not announced any measures to counter the strike. It is believed, however, that a national state of emergency may be declared which would permit the use of military personnel to end the strike.

DIPLOMATIC RELATIONS ESTABLISHED WITH ROMANIA, YUGOSLAVIA

PA180417 Panama City ACAN in Spanish 1718 GMT 17 Mar 79 PA

[Text] San Salvador, 17 Mar (ACAN-EFE)--The Salvadoran Government today announced the establishment of diplomatic relations with Romania and Yugoslavia, for which the necessary steps have been taken. Salvadoran Foreign Minister Jose Antonio Rodriguez Porth said that direct consultations have already been held with both countries. He emphasized that relations with Romania and Yugoslavia will open potential markets for Salvadoran products, in addition to uplifting the spirit of a world which needs more communication.

He also announced El Salvador's participation in a series of global meetings including the eighth session of the Law of the Sea conference and the conference in Vienna to propose changes to the UN Industrial Development Organization.

GUATEMALA

TRADE AGREEMENT WITH HONDURAS EXTENDED 2 YEARS

PA162206 Panama City ACAN in Spanish 1945 GMT 16 Mar 79 PA

[By Mauricio Barrera]

[Text] Guatemala City, 16 Mar (ACAN-EFE)--Guatemala and Honduras resumed trading at 1200 (1800 GMT) today, Friday, as their economy ministers, Valentín Solorzano and Carlos Manuel Zeron, respectively, agreed to extend the trade agreement between the two countries for 2 more years. The agreement is the result of the meeting held here Thursday by the presidents of Guatemala, Honduras and El Salvador, Generals Romeo Lucas, Policarpo Paz García and Carlos Humberto Romero, respectively. At the meeting, the Guatemalan and Honduran chiefs of state instructed their economy ministers to find a solution to the commercial crisis brought about by the 10 February expiration of the bilateral trade agreement.

The resolution adopted ended a month of abnormal trade relations between Guatemala and Honduras due to the lack of a proper legal instrument.

The two economy ministers, Solorzano and Zeron, had reached an impasse in negotiations on a new bilateral trade agreement due to differences over the treatment to be given to textile products.

According to the presidents' instructions in yesterday's meeting, the ministers agreed to extend the bilateral trade agreement signed in 1973 for 2 more years. Textiles were included among the products to be traded. Those produced in Honduras will have free access to the Guatemalan market and those produced in Guatemala will pay a 10-percent duty on entering Honduran territory.

A mixed committee created to study the treatment of clothing products will submit its recommendations within 60 days.

NICARAGUA

OPPOSITION GROUPS FORM NEW CONSERVATIVE POLITICAL PARTY

PA191838 San Jose Radio Reloj Network in Spanish 1100 GMT 19 Mar 79 PA

[Text] Managua--The leaders of the National Conservative Action, the Authentic Conservative Party and the Nicaraguan Conservative Party--the latter led by Dr Fernando Aguero Rocha--yesterday signed a document establishing the principles and platform of a new political party in Nicaragua.

The new party is called the Democratic Conservative Party of Nicaragua [Partido Conservador Democrata de Nicaragua--PCDN] and the Executive Council includes Dr Fernando Aguero Rocha, the principal opposition leader in Nicaragua; Rafael Cordova Rivas, who used to be the president of the National Conservative Action; Clemente Guido, the ideologist; and Adolfo Calero.

The PCDN vowed to set aside all personal interests to mobilize conservative Nicaraguan groups and struggle against the obstacles the Somoza dictatorship will undoubtedly provide.

SANDINIST LEADER DISCUSSES GPP'S ORGANIZATIONAL STRATEGY

PA191934 Panama City PRESENCIA SANDINISTA in Spanish 2 Feb 79 pp 38, 39, 40, 41 PA

[Text] Comrade Bayardo Arce Castano, member of the National Directorate of the Sandinist National Liberation Front [FSLN] in charge of urban resistance, was interviewed here in this country [not further specified] by a foreign newsman. PRESENCIA SANDINISTA presents the following portions of the interview:

Question: Regarding the military tactics being used by the GPP [Prolonged People's War] you use the term guerrilla onslaught [desencadenamiento guerrilero]. What does it mean, and how will you be able to incorporate the peasant into this type of political-military effort?

Answer: We have begun by analyzing the situation in our country and its causes. Of course, in identifying the causes, we have also identified those responsible; hence, we have determined that our enemies are, on the one hand, the dictatorship as the immediate enemy, and on the other, U.S. imperialism, of which the dictatorship is an instrument. Therefore, in choosing our military tactics we opted for guerrilla warfare as a means of wearing down the enemy--not only the immediate enemy, which is the dictatorship, but also the foreign enemy, which is imperialism.

We know that under those conditions we cannot envision or propose the overthrow of the dictatorship in a single step. We have to gradually undermine the military force of the enemy as our people acquire confidence in their fighting ability. Hence, we chose guerrilla warfare as a means of developing that process by which we accumulate strength.

What do we mean by guerrilla onslaught? It means to wage guerrilla warfare wherever our political-military strength permits. Thus, the more places in which we manage to activate rural or urban guerrilla groups, the more we will be dispersing the forces of the enemy, undermining them and extending the seed of revolution throughout the national territory until, at a given moment, we will be able to begin establishing nuclei of a true army that will permit us to embark upon another type of military combat against the forces of the dictatorship, the forces of the Somozist guard.

Briefly, this is our strategy, and we have decided that the mountains provide the most favorable conditions for developing that strategy. First, it presents both the most favorable material and topographic conditions for staging successful small-scale skirmishes in which terrain is the determing factor, and it also provides a place for us to develop and meet in large groups, which is very difficult to do in the cities.

Regarding incorporation into that military force, it will depend on the development of the struggle, with the peasant being incorporated to the extent that we increase our military forces, our war materiel, our capacity for leadership and our military experience.

Question: In what way do you plan to apply the experience gained during the insurrection to guerrilla activities? Perhaps you are thinking of repeating the insurrection on a lesser scale? Would it be feasible to leave the mountains, approach the cities and carry out a generalized insurrection?

Answer: We have never seen insurrection as a concept opposed to the strategy of the GPP. On the contrary, we have always considered insurrection to be a part of our concept of a prolonged people's war. We have considered the possibility of staging partial or total insurrections at particular moments so that they could be the great culminating movement of the entire process. Therefore, our participation in the September events did not represent a break with our concepts, but rather an application of them at a particular moment. Of course, if the choice of that moment for the insurrection had been determined solely by our capacity and our preference, we would not have chosen that time. However, after 40 years of dictatorship and oppression, our country was ripe for an insurrection, a situation which still persists to some extent.

Let us say, therefore, that it was our people's decision to unleash a frontal battle against the dictatorship and not to wait too long to do it. And under those insurrectional conditions, we see that although from the strategic viewpoint it was not the best time to launch an insurrection, specific realities prescribed one.

To us, participation in the insurrectional offensive was somewhat of a moral imperative for a vanguard organization that cannot abandon its people, the masses that have followed it, merely because at a particular moment it did not have the military capacity to effect the best possible leadership. Then what did the offensive itself accomplish? To us it only reaffirmed the wisdom and validity of our strategic concept because we felt that the political and military power of the dictatorship could not be overthrown by a popular movement involving 2 or 3 days of street fighting, but rather that it was necessary to undermine the enemy forces further and amass revolutionary forces of a quality and quantity that could guarantee that an uprising--possibly one of the same type, yet not so short in duraction, rather for a more prolonged period and involving a series of combined military tactics--would overthrow the dictatorship.

Concerning the part of your question referring to the mountains, we believe that, among other things, the mountain contingent brings the enemy to the most favorable terrain for us, and the manner of bringing him there is by striking at his main garrisons. During the years 1974-1977, the guerrillas in the mountains dealt the enemy blows ranging from a small robbery in Jinotega to the attack on the Waslala command as a means of attracting the enemy toward the mountain centers, where we planned to wage--and in fact did carry out--fighting on terrain that was more favorable to us. Therefore, our contingents in the mountains, which is where we are developing the Sandinist people's army, will be charged with, among other tactical military tasks, striking at certain urban nuclei, after which they will withdraw to the mountains, attracting the enemy toward them.

It must be noted that the enemy cannot effectively employ his airplanes, bombs, tanks or heavy weapons in the mountains. He has to fight under the same conditions as we do.

Question: Regarding the communique of unity, what is its significance to the coordination of military and political forces, and what is the present extent of that coordination?

Answer: We believe that that communique has great value, because the differences that have existed within the Sandinist movement--which have been expressed in the existence of three factions--have been very complex, so much so that certain agreements and coordination which we thought had been achieved unfortunately were not expressed in practice as we would have desired due to a number of circumstances. Therefore, the communique acquires a very special value in the eyes of a people like ours, who have demonstrated militancy, dedication, sacrifice and who, through their struggle, have demanded or required the unity of the revolutionary movement. The people are the great witnesses to those commitments, those agreements and that coordination which should take place in the future and which are already being realized.

Therefore, we believe that those commitments and that coordination which have been established with the publication of the joint communique have taken on greater weight, greater effectiveness and a greater guarantee of fulfillment, which logically benefits our process and our people.

What we have done is to make a public pronouncement in which the three factions make a commitment. We seek a way to make the previously existing coordination more effective, and we have begun to develop a process that will unite our political and military forces and our efforts in those areas around four [as published] basic objectives: Rejection of the process of intervention in the form of the mediation and its planned offspring, the plebiscite; support for the program of the United People's Movement; and the conviction that there must be a revolutionary--in other words, popular and armed--overthrow of the dictatorship. These are the points at which the tactical unity of the three factions converges--the ones that permit us to improve the coordination that previously existed.

Question: To what extent does political-military coordination exist within the FSLN?

Answer: To us, the process of unification is just that--a process, not a declaration. We are moving toward this. We reach agreements regarding certain political positions to be adopted and also regarding some military activities. Examples are armed propaganda operations staged in Masaya and Tipitapa. Plans to carry out future operations already exist. We are also reaching agreements to satisfy the needs each faction may have. We look that the process underway with a positive frame of mind.

Question: Is there a possibility of establishing a joint directorate among the three factions?

Answer: We have said that experience is our teacher. Practice is what unites us. We believe, as our top leader Henry Ruiz Modesto [as published] has said, "The dialectics of the present political struggle have cleared a path on which we, the true revolutionaries of the country, must remain united in frank brotherhood."

In other words, we believe that there is only one path of revolution, despite the fact that for the moment we revolutionaries are seeing different paths or seeing the same path in different ways. Objectively, the revolution has only one path. The true revolutionary may find that path at any time. Therefore, we believe that the time will come when the Sandinist Front will be reunited and will act as a single force, with a single political line, in a single direction, which will be the true path toward revolution.

OPPOSITION MEMBERS REQUEST ASYLUM AT FOREIGN EMBASSIES

PA192125 Panama City ACAN in Spanish 1348 GMT 19 Mar 79 PA

[Text] Managua, 19 Mar (ACAN-EFE)--Two members of the Nicaraguan opposition allegedly involved in smuggling arms into Nicaragua yesterday requested diplomatic asylum at the Venezuelan and Mexican embassies in Managua. The two men are Jose Acevedo Voguel and Samuel Santos. Acevedo Voguel owns the truck used to transport a cargo of weapons from Costa Rica which the Nicaraguan Army captured last Friday. Santos, a business manager, runs a gasoline station in Managua and is a director of the Nicaraguan Democratic Movement. He feels the regime is persecuting him for his political ideas and has therefore requested political asylum at the Mexican Embassy. Acevedo Voguel requested diplomatic protection at the Venezuelan Embassy.

Placido Francisco Calixto Vaca, the driver of the truck captured at the southern border (at the Penas Blancas customs point), fled into Costa Rica when he noticed the truck was being checked thoroughly.

The arsenal captured at the border post will be shown to the press today at the National Guard's Legal and Public Relations Office. Part of the weapons include 34 FAL rifles, 72 M-1 .30-caliber carbines, much ammunition and explosive materiel. According to a National Guard officer, there was enough explosives "to blow up much of Managua." Some of the seized weapons are Soviet- and German-made, the army spokesmen added.

11 PEOPLE SEEK REFUGE AT PANAMANIAN EMBASSY

PA162030 Bluefields Radio Atlantico in Spanish 1800 GMT 16 Mar 79 PA

[Text] Eleven Nicaraguans who regard themselves as political refugees are currently at the Panamanian Embassy in Managua. They expect to obtain safe passage through efforts being made by the Panamanian Embassy with the Nicaraguan Foreign Affairs Ministry.

These are the first refugees to be received by the Panamanian Embassy in Managua during 1979. Their names have not been revealed.

FSLN DAMAGES EQUIPMENT IN ATTACK ON MAIN ARMY GARRISON

PA200332 Paris AFP in Spanish 2030 GMT 19 Mar 79 PA

[Text] Managua, 19 Mar (AFP)--The Sandinist National Liberation Front (FSLN) today reported that it staged a commando operation inside the Campo de Marte, the Nicaraguan Army's main garrison.

Col Alberto Luna, radio and television chief, confirmed that the Sandinists had planted explosives in the garrison's military communications equipment but maintained that they did not explode. However, press reports today indicated that the equipment was damaged and that communications between Campo de Marte and other army garrisons in Managua were interrupted.

The Sandinists said in a clandestine communique that they carried out the operation with the aid of rebels infiltrated in the army. The Campo de Marte occupies several blocks in southern Managua.

The communique added that a Sandinist commando unit also dynamited military communications equipment in Las Nubes, 25 km south of Managua. According to the Sandinists, they inflicted casualties on the army when they attacked the transmission station.

STUDENTS SEIZE EDUCATION CENTERS IN MANAGUA

PA171703 San Jose Radio Reloj in Spanish 1100 GMT 17 Mar 79 PA

[Text] In a communique released yesterday afternoon, the Sandinist National Liberation Front reported that students have seized eight of Managua's main education centers thus far. Associations of the national university called an assembly, the immediate result of which was a decision to suspend activities for several hours.

FIDEL CASTRO CONGRATULATES ALGERIAN PRIME MINISTER

FL191056 Havana Domestic Service in Spanish 1000 GMT 19 Mar 79 FL

[Text] Cuban Council of State President Fidel Castro has sent a congratulatory message to new Algerian Prime Minister Mohamed 'Abd al-Ghani. Castro recalls in the message the close relations that exist between the Cuban and Algerian revolutions. After asserting that Cuba will continue on the side of the Algerian people and government in the struggle against colonialism, neocolonialism and imperialism, Fidel states in his message to the Algerian prime minister: We are convinced that in your new responsibility you will continue making every effort for the development of Algeria.

RAUL CASTRO ENDS BULGARIA VISIT, DEPARTS

FL191614 Havana Domestic Service in Spanish 1603 GMT 19 Mar 79 FL

[Text] Army Gen Raul Castro Ruz, second secretary of the Communist Party of Cuba [PCC], has left Bulgaria following an official and friendly visit to that country. The first vice president of the Councils of State and Ministers and minister of the Revolutionary Armed Forces visited Bulgaria at the invitation of Todor Zhivkov, first secretary of the Bulgarian Communist Party [BCP] Central Committee. The visit of the PCC second secretary to that fraternal country began on 1 March, following an official visit to the Soviet Union. Raul Castro and Vilma Espin, president of the Federation of Cuban Women and member of the PCC Central Committee, who accompanied him, were seen off by army Gen Dobri Dzhurov, member of the BCP Politburo and minister of national defense.

FURTHER ON SIXTH OCLAE CONGRESS IN HAVANA

Opening Speeches

FL151904 Havana Domestic Television Service in Spanish 1800 GMT 15 Mar 79 FL

[Text] With the participation of 43 delegations from 29 countries, the sixth congress of Latin American students is underway at the Atlantico Hotel in Santa Maria del Mar, [Havana]. Sitting at the presiding table are PCC Politburo member Jose Ramon Machado Ventura and Luis Orlando Dominguez, member of the PCC Central Committee and first secretary of the Union of Young Communists.

The opening remarks were made by Jesus Reyes Arencibia, president of the Continental Organization of Latin American Students, [OCLAE], who pointed out that at the present time the contradictions between imperialism and Latin America and the Caribbean continue to intensify. He stressed that it is not possible to accept the argument that the students ought to remain uninvolved in revolutionary struggles. He also condemned the Chinese adventure against Vietnam and urged the congress to express solidarity with the struggle of the Indochinese people. Roberto Robaina Gonzalez, president of the Federation of University Students, made a speech to welcome the delegates to this sixth congress of Latin American students. Robaina recounted Cuba's participation in the activities of the student organization.

Solidarity With Vietnam

FL161224 Havana Domestic Service in Spanish 1100 GMT 16 Mar 79 FL

[Text] A solemn ceremony in solidarity with the fraternal peoples of Vietnam, Laos and Kampuchea has closed the second session of the sixth Latin American students congress, which opened Thursday morning in the Atlantico Hotel in Santa Maria del Mar, located east of Havana.

The ceremony which reiterated the consistent solidarity position of the Latin American and Caribbean student body towards those peoples has special meaning at the moment. Roberto Robaina, president of the Cuban Federation of University Students [FEU], read a message which describes the Latin American and Caribbean students' feelings and pointed out that this is linked to Jose Rafael Varona, who was a member of this organization's [Continental Organization of Latin American Students, OCLAE] Permanent Secretariat. He died as a result of wounds received from Yankee imperialist aggression during a visit to Vietnam.

The Vietnamese representative thanked OCLAE for their solidarity shown today as yesterday, and stated that his people want to live amicably with the other peoples in Southeast Asia, but he said that they will not waver in defending their soil.

An agreement was reached at the solemn session to create the Jose Rafael Varona Order as an example and symbol of student movement solidarity with the people of Vietnam. It will be awarded to personalities and organizations which are prominent in the struggle against imperialism and for independence and national liberation. An agreement was also reached to present the 11 August Award, date of the founding of OCLAE, to prominent youth personalities and organizations in the student struggles in behalf of their peoples.

Yasir 'Arafat Message

FL170029 Havana Domestic Service in Spanish 0000 GMT 17 Mar 79 FL

[Text] Yasir 'Arafat, chairman of the Executive Committee of the Palestine Liberation Organization, has sent a message to the sixth congress of Latin American students.

The message states that the Palestinian people today are facing the most dangerous plot of imperialism, Zionism and reaction--the As-Sadat-Begin-Carter capitulatory agreement. All the world's progressive forces are called on to support the Palestinians and the other Arab peoples to unmask the maneuver of the agreement and struggle against it, says Yasir 'Arafat's message.

On their second and penultimate working day, the representatives of nearly 50 student delegations that are participating in the Sixth Congress of the Continental Organization of Latin American Students moments ago held a solemn session of solidarity with the African people, especially with the struggle of the peoples of Zimbabwe, Namibia and South Africa. The representatives of the Pan-African Union of Students and of student organizations of the German Democratic Republic, Jamaica, the Zimbabwe Patriotic Front and Cuba spoke at this session.

The congress will continue meeting until midnight tonight and will resume its working sessions tomorrow at 0900 hours.

Conclusion of Congress

FL191114 Havana Domestic Service in Spanish 1045 GMT 19 Mar 79 FL

[Excerpts] The Sixth Congress of the Continental Organization of Latin American Students has concluded in our country with a reaffirmation of solidarity with all who are struggling for independence in the world. The final congress resolution states that the dearest aspirations of the Latin American student movement only can be realized with the complete liberation of their countries.

ANTIGUA

DEPUTY PREMIER AGAINST RECOGNITION OF BISHOP REGIME

FL191751 Kingston Domestic Service in English 1730 GMT 19 Mar 79 FL

[Text] Antigua's Deputy Premier (Lester Byrd) has said his country would not consider itself bound by any decision by Britain to recognize the new revolutionary government in Grenada. In a radio interview last night, Mr (Byrd) said that to recognize the government of the New Jewel Movement led by Prime Minister Maurice Bishop would be like recognizing the Ian Smith Regime in Rhodesia. According to (Byrd), both the Smith and Bishop administrations were illegal. The deputy prime minister went on to say that he didn't believe that Britain would impose recognition of the revolutionary government on Antigua or any other associated state. And he made it clear that recognition by the major Western powers or the CARICOM states wouldn't bind Antigua to recognize the Bishop regime. This, he said, would represent a shift from an essential Antiguan principle of the nonacceptability of gaining office by coup d'etat. He also expressed the hope that tomorrow's meeting of the associated states would arrive at a joint position on the question of recognition of the revolutionary government.

GRENADA

PRIME MINISTER BISHOP RECEIVES GUYANESE ENVOY

FL192111 Havana Domestic Service in Spanish 2059 GMT 19 Mar 79 FL

[Text] Grenada's Prime Minister Maurice Bishop has received a special envoy of Guyanese Prime Minister Forbes Burnham, with whom he discussed the relations existing between the two Caribbean countries. (Chester Alvis), the political adviser of the Guyanese prime minister, arrived in Saint Georges, the capital of Grenada, aboard a special flight, accompanied by a delegation of journalists who are covering the events that have taken place on that Caribbean island. Local observers think that Guyana will be among the first countries of the Caribbean Community to recognize Grenada's provisional government, an action which could take place tomorrow, Tuesday.

JAMAICA

COMMUNIST PARTY TELLS U.S. 'HANDS OFF GRENADA'

FL161834 Kingston Domestic Service in English 1730 GMT 16 Mar 79 FL

[Text] The Communist Party of Jamaica [CPJ] has written American President Jimmy Carter warning America's ruling circles to keep their hands off Grenada. The CPJ letter to President Carter was sent this morning care of a senior official at the local U.S. Embassy in Kingston. The Communist Party warned that any sign of intervention would be resisted by the Caribbean peoples who, the party said, are sick and tired of America's exploitation of their resources. The CPJ said it was aware of the historic hypocrisy of America's ruling circles, who spoke of nonintervention but in actual practice (?meddled) in the internal affairs of countries which chose systems unfavorable to the expansion of American multinational corporations. The CPJ said that because of America's record of lying, the party didn't believe it when the Carter administration said it wouldn't intervene in Grenada. The Communist Party further accused the Americans of plotting with enemies of the Grenadian revolution at this very moment to turn back the democratic life won by the people after years of repression by ousted dictator Eric Gairy.

GOVERNMENT RATIFIES AMAZON COOPERATION TREATY

FL191510 Kingston DAILY GLEANER in English 16 Mar 79 p 6 FL

[Excerpts] Georgetown, March 14, (CANA)--Guyana has become the third country to ratify the treaty for Amazonian co-operation signed by a number of Latin American states in July last year, a statement from the Ministry of Foreign Affairs said here today. The treaty seeks to advance co-operation in air, river and road transportation, telecommunication, environmental protection, health and border trade. The two other countries that have already ratified the treaty are Brazil and Ecuador, but Bolivia, Colombia, Peru, Surinam and Venezuela are expected to do so. "Amazonic co-operation will be of direct benefit to all the countries including Guyana, in such key areas of development as hydro-electricity, roads, livestock development and forestry," the statement said. The treaty will come into effect 30 days after all the signatory states have ratified and deposited the instruments of ratification in Brazil.

SUGAR SALE TALKS WITH CHINA; TRADE WITH GDR, HUNGARY

FL162056 Kingston Domestic Service in English 2030 GMT 16 Mar 79 FL

[Text] Guyana is now negotiating the sale of sugar to China in keeping with its drive to expand trading relations with the socialist countries. Making the announcement during debates on the country's 1979 budget, Finance Minister Frank Hope said Guyana would also be selling rum, rice and bauxite to the German Democratic Republic. In return, Guyana is to import manufactured goods from the GDR and China and drugs from Hungary. Mr Hope also said the government is reviewing the pricing policies pursued by public corporations with the view to insuring that their goods are received at reasonable prices and consumers get the advantage of those prices.

DETAILS OF GDR BAUXITE DEAL ANNOUNCED

FL141525 Georgetown GUYANA CHRONICLE in English 8 Mar 79 p 9 FL

[Excerpt] The Bauxite Industry Development Company (BIDCO) will be selling $1.5 M. (G) in metal grade bauxite to the German Democratic Republic later this year. A contract for the supply of 30,000 metric tons of the product to the GDR was signed here Tuesday night and represents a significant breakthrough for BIDCO. The only previous sale was for 10,000 tons, made four years ago. The first shipment of the bauxite is to be made later this year and BIDCO hopes to be able to negotiate more contracts with the GDR in the future.

This contract is the first large sale by BIDCO to the GDR, and vice-president for marketing at BIDCO, Sylvester Carmichael said at the signing ceremony that he hoped it will be the start of regular purchases of Guyana bauxite by the GDR. He told members of the Office of the GDR Commercial Attache in Georgetown at the ceremony, "I can assure you that this will be the best bauxite you have ever had, and we hope to be able to satisfy all your needs."

Economist at the Office of the GDR Commercial Attache Lothar Hergotzik described the contract as a "first step," and said that the Guyana Bauxite which will be delivered this year will be a great help to the GDR.